MASS RETAILERS' EXECUTIVE PERQUISITE REPORT

1989

IMRA

International Mass Retail Association

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MASS RETAILERS'

EXECUTIVE PERQUISITE REPORT

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International Mass Retail Association

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INTRODUCTION

The International Mass Retail Association is pleased to present the results of our **SEVENTH EXECUTIVE PERQUISITE SURVEY.**

This year, IMRA again had an excellent response to the questionnaire with more than 68% of IMRA's retail membership participating. Because of the response, we believe that the figures indicate an accurate assessment of benefits in the discount department store industry.

Contrasted with our survey in 1987, it appears obvious that there has been a re-evaluation of many of the benefits offered to employees. Cost increases, especially in the areas of medical coverage, dental coverage and disability benefits have seen a drop in so-called "full coverage" of those benefits. In the next survey we will attempt to determine what percentage of those benefits are now covered by members.

Vacations and time off for extra work seems to be an increasing area of benefit to the employee with many companies shortening the waiting time for two week vacations and others extending their vacation policy to five and six weeks for long term employees.

As in the past, the survey results are presented in the identical manner as the survey with the sections clearly indicating the level of employee to which they refer.

The **PERQUISITE SURVEY** is compiled every two years and the **IMRA COMPENSATION STUDY** is compiled annually.

The Association appreciates the participation of the membership in this survey and would welcome any comments which would make this survey more beneficial to the membership.

Richard Hersh
President
International Mass Retail Association

October 1989

SECTION ONE

HOME OFFICE/HEADQUARTERS MANAGEMENT

HOME OFFICE/HEADQUARTERS MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit. **PERQUISITE BENEFIT**	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
1) Company paid medical coverage for an executive	58%	55%	51%	41%
2) Company paid medical coverage for an executive and his or her family	51%	48%	41%	30%
3) Dental insurance	60%	58%	60%	55%
4) Company paid dental insurance	39%	37%	37%	25%
5) Medical or dental reimbursement with prescribed maximum limit	39%	39%	37%	34%
6) Prescription drug plan	48%	48%	48%	44%
7) Physical examinations at the company's expense	51%	48%	37%	16%
8) Optical plan	30%	27%	23%	18%
9) Short-term disability/wage continuation	83%	83%	79%	76%
10) Long term disability insurance	81%	81%	81%	76%

HOME OFFICE/HEADQUARTERS MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
PERQUISITE BENEFIT				
11) Company paid supplemental executive life insurance	55%	46%	39%	18%
12) Executive common carrier accidental insurance	62%	65%	65%	44%
13) Company paid leave of absences - personal reasons	9%	4%	6%	4%
14) Sabbaticals with pay	-0-	-0-	-0-	-0-
15) Bonus vacation pay, in addition to the normal salary	6%	6%	4%	2%
16) Vacation pay in lieu of time off	9%	9%	4%	4%
17) Compensatory time/compensation for holidays worked	4%	2%	2%	2%
18) Compensatory time/compensation for Sundays worked	2%	4%	4%	4%
19) Interest free loans	11%	9%	6%	2%
20) Low interest loans	13%	13%	11%	9%

HOME OFFICE/HEADQUARTERS MANAGEMENT

The percentage represent or indicate what portion/percent of those companies who replied offer the particular benefit.	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
PERQUISITE BENEFIT				
21) Executive personal fiduciary insurance	18%	16%	4%	-0-
22) Free financial counseling	20%	16%	2%	-0-
23) Free tax counseling	20%	16%	2%	2%
24) Free legal counseling	9%	9%	-0-	-0-
25) Assumption of liability for any financial loss from sale of a transferred executive's primary home	18%	18%	20%	9%
26) Stock options	60%	60%	37%	13%
27) Performance shares	9%	9%	6%	2%
28) Stock purchasing plan	23%	23%	23%	18%
29) ESOPS (some "PAYSOP")	9%	9%	9%	9%
30) Profit sharing	46%	46%	46%	39%

HOME OFFICE/HEADQUARTERS MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
PERQUISITE BENEFIT				
31) Deferred compensation	34%	34%	23%	11%
32) Employment contracts	34%	23%	9%	2%
33) Pension Plan	48%	51%	51%	51%
34) Supplemental retirement income	16%	16%	6%	4%
35) Relocation bonus payments (non-salary) for relocated executives	23%	25%	23%	18%
36) Merchandise discount plan	81%	81%	81%	79%
37) Merchandise discount plan above and beyond normal provisions	4%	4%	4%	-0-
38) Tuition reimbursement (some on case by case basis)	46%	48%	51%	46%
39) Educational scholarships/grants for dependent children	18%	18%	20%	18%
40) Company car - business travel	67%	69%	44%	20%
41) Company car - personal use	69%	67%	34%	11%

HOME OFFICE/HEADQUARTERS MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
PERQUISITE BENEFIT				
42) Reserved parking space	55%	25%	32%	16%
43) First class air travel - business use (some allow over 3 hours)	32%	20%	6%	2%
44) Spouse allowed to accompany executive on business trips	32%	18%	-0-	-0-
45) Company credit cards for traveling executives	65%	62%	46%	32%
46) Apartment or condominium reserved for executives traveling in major cities	-0-	-0-	-0-	-0-
47) Executive dining facility	6%	9%	6%	2%
48) Company phones in executive's home	11%	4%	-0-	-0-
49) Club membership fees	32%	16%	6%	2%
50) Free use of company owned resort facilities	4%	4%	4%	4%
51) Company paid chauffeur - business travel	16%	4%	-0-	-0-
52) Company aircraft - business travel	30%	27%	16%	9%

SECTION TWO

MERCHANDISING MANAGEMENT

MERCHANDISING MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit. **PERQUISITE BENEFIT**	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
1) Company paid medical coverage for an executive	46%	46%	32%	41%
2) Company paid medical coverage for an executive and his or her family	34%	34%	32%	30%
3) Dental insurance	51%	53%	46%	53%
4) Company paid dental insurance	30%	27%	25%	23%
5) Medical or dental reimbursement with prescribed maximum limit	34%	39%	32%	32%
6) Prescription drug plan	46%	48%	44%	44%
7) Physical examinations at the company's expense	30%	30%	23%	16%
8) Optical plan	25%	25%	23%	18%
9) Short-term disability/wage continuation	74%	74%	72%	74%
10) Long term disability insurance	74%	74%	69%	81%

MERCHANDISING MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
PERQUISITE BENEFIT				
11) Company paid supplemental executive life insurance	34%	32%	20%	16%
12) Executive common carrier accidental insurance	55%	55%	46%	51%
13) Company paid leave of absences - personal reasons	4%	4%	4%	4%
14) Sabbaticals with pay	-0-	-0-	-0-	-0-
15) Bonus vacation pay, in addition to the normal salary	-0-	2%	2%	-0-
16) Vacation pay in lieu of time off	9%	4%	4%	4%
17) Compensatory time/compensation for holidays worked	2%	2%	2%	2%
18) Compensatory time/compensation for Sundays worked	4%	4%	4%	4%
19) Interest free loans	4%	4%	2%	2%
20) Low interest loans	9%	9%	6%	9%

MERCHANDISING MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
PERQUISITE BENEFIT				
21) Executive personal fiduciary insurance	2%	-0-	-0-	-0-
22) Free financial counseling	4%	2%	-0-	-0-
23) Free tax counseling	4%	2%	2%	2%
24) Free legal counseling	2%	-0-	-0-	-0-
25) Assumption of liability for any financial loss from sale of a transferred executive's primary home	16%	18%	9%	11%
26) Stock options	41%	32%	13%	13%
27) Performance shares	6%	4%	2%	2%
28) Stock purchasing plan	20%	20%	18%	20%
29) ESOPS (some "PAYSOP")	9%	9%	9%	9%
30) Profit sharing	41%	46%	39%	44%

MERCHANDISING MANAGEMENT

The percentage represent or indicate what portion/percent of those companies who replied offer the particular benefit	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
PERQUISITE BENEFIT				
31) Deferred compensation	23%	25%	11%	6%
32) Employment contracts	9%	4%	2%	2%
33) Pension Plan	44%	48%	44%	46%
34) Supplemental retirement income	6%	6%	4%	4%
35) Relocation bonus payments (non-salary) for relocated executives	18%	18%	18%	18%
36) Merchandise discount plan	76%	79%	76%	81%
37) Merchandise discount plan above and beyond normal provisions	2%	-0-	-0-	-0-
38) Tuition reimbursement (some on case by case basis)	44%	48%	44%	48%
39) Educational scholarships/grants for dependent children	18%	20%	18%	20%
40) Company car - business travel	44%	34%	18%	9%
41) Company car - personal use	41%	32%	13%	4%

MERCHANDISING MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit	CEO/President Level I	Company Officials Level II	Senior Management Level III	General Management Level IV
PERQUISITE BENEFIT				
42) Reserved parking space	25%	23%	11%	9%
43) First class air travel - business use (some allow over 3 hours)	9%	4%	-0-	-0-
44) Spouse allowed to accompany executive on business trips	9%	2%	4%	-0-
45) Company credit cards for traveling executives	44%	46%	37%	37%
46) Apartment or condominium reserved for executives traveling in major cities	-0-	-0-	-0-	-0-
47) Executive dining facility	6%	4%	2%	-0-
48) Company phones in executive's home	-0-	-0-	-0-	-0-
49) Club membership fees	6%	4%	2%	2%
50) Free use of company owned resort facilities	4%	4%	4%	4%
51) Company paid chauffeur - business travel	2%	-0-	-0-	-0-
52) Company aircraft - business travel	20%	16%	11%	6%

SECTION THREE

FIELD MANAGEMENT

FIELD MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit. **PERQUISITE BENEFIT**	Top Regional Manager	All Other Field Managers		
1) Company paid medical coverage for an executive	44%	34%		
2) Company paid medical coverage for an executive and his or her family	34%	23%		
3) Dental insurance	53%	48%		
4) Company paid dental insurance	32%	18%		
5) Medical or dental reimbursement with prescribed maximum limit	32%	32%		
6) Prescription drug plan	41%	39%		
7) Physical examinations at the company's expense	32%	9%		
8) Optical plan	20%	16%		
9) Short-term disability/wage continuation	72%	74%		
10) Long term disability insurance	72%	74%		

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit.	Top Regional Manager	All Other Field Managers		
PERQUISITE BENEFIT				
11) Company paid supplemental executive life insurance	30%	13%		
12) Executive common carrier accidental insurance	51%	39%		
13) Company paid leave of absences - personal reasons	4%	4%		
14) Sabbaticals with pay	-0-	-0-		
15) Bonus vacation pay, in addition to the normal salary	2%	2%		
16) Vacation pay in lieu of time off	4%	4%		
17) Compensatory time/compensation for holidays worked	2%	4%		
18) Compensatory time/compensation for Sundays worked	4%	4%		
19) Interest free loans	4%	2%		
20) Low interest loans	9%	9%		

FIELD MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit.	Top Regional Manager	All Other Field Managers		
PERQUISITE BENEFIT				
21) Executive personal fiduciary insurance	-0-	-0-		
22) Free financial counseling	2%	-0-		
23) Free tax counseling	2%	2%		
24) Free legal counseling	-0-	-0-		
25) Assumption of liability for any financial loss from sale of a transferred executive's primary home	18%	11%		
26) Stock options	30%	11%		
27) Performance shares	2%	-0-		
28) Stock purchasing plan	20%	20%		
29) ESOPS (some "PAYSOP")	9%	9%		
30) Profit sharing	41%	39%		

FIELD MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit.	Top Regional Manager	All Other Field Managers		
PERQUISITE BENEFIT				
31) Deferred compensation	20%	4%		
32) Employment contracts	4%	2%		
33) Pension Plan	46%	46%		
34) Supplemental retirement income	24%	4%		
35) Relocation bonus payments (non-salary) for relocated executives	20%	20%		
36) Merchandise discount plan	76%	79%		
37) Merchandise discount plan above and beyond normal provisions	2%	-0-		
38) Tuition reimbursement (some on case by case basis)	44%	44%		
39) Educational scholarships/grants for dependent children	18%	18%		
40) Company car - business travel	46%	41%		
41) Company car - personal use	41%	16%		

FIELD MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit.	Top Regional Manager	All Other Field Managers		
PERQUISITE BENEFIT				
42) Reserved parking space	13%	-0-		
43) First class air travel - business use (some allow over 3 hours)	2%	-0-		
44) Spouse allowed to accompany executive on business trips	2%	-0-		
45) Company credit cards for traveling executives	44%	32%		
46) Apartment or condominium reserved for executives traveling in major cities	-0-	-0-		
47) Executive dining facility	2%	-0-		
48) Company phones in executive's home	-0-	-0-		
49) Club membership fees	4%	2%		
50) Free use of company owned resort facilities	4%	2%		
51) Company paid chauffeur - business travel	-0-	-0-		
52) Company aircraft - business travel	13%	6%		

SECTION FOUR

STORE MANAGEMENT

STORE MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit. **PERQUISITE BENEFIT**	Store Managers	Assistant Store Managers		
1) Company paid medical coverage for an executive	41%	39%		
2) Company paid medical coverage for an executive and his or her family	30%	25%		
3) Dental insurance	53%	51%		
4) Company paid dental insurance	25%	20%		
5) Medical or dental reimbursement with prescribed maximum limit	37%	34%		
6) Prescription drug plan	39%	37%		
7) Physical examinations at the company's expense	11%	6%		
8) Optical plan	18%	18%		
9) Short-term disability/wage continuation	74%	65%		
10) Long term disability insurance	69%	67%		

STORE MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit	Store Managers	Assistant Store Managers		
PERQUISITE BENEFIT				
11) Company paid supplemental executive life insurance	18%	13%		
12) Executive common carrier accidental insurance	39%	37%		
13) Company paid leave of absences - personal reasons	2%	2%		
14) Sabbaticals with pay	-0-	-0-		
15) Bonus vacation pay, in addition to the normal salary	-0-	-0-		
16) Vacation pay in lieu of time off	6%	6%		
17) Compensatory time/compensation for holidays worked	20%	16%		
18) Compensatory time/compensation for Sundays worked	13%	20%		
19) Interest free loans	2%	2%		
20) Low interest loans	9%	9%		

STORE MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit	Store Managers	Assistant Store Managers		
PERQUISITE BENEFIT				
21) Executive personal fiduciary insurance	-0-	-0-		
22) Free financial counseling	-0-	-0-		
23) Free tax counseling	2%	2%		
24) Free legal counseling	-0-	-0-		
25) Assumption of liability for any financial loss from sale of a transferred executive's primary home	9%	4%		
26) Stock options	13%	2%		
27) Performance shares	2%	-0-		
28) Stock purchasing plan	20%	18%		
29) ESOPS (some "PAYSOP")	9%	9%		
30) Profit sharing	44%	39%		

STORE MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit.	Store Managers	Assistant Store Managers		
PERQUISITE BENEFIT				
31) Deferred compensation	11%	2%		
32) Employment contracts	6%	2%		
33) Pension plan	46%	19%		
34) Supplemental retirement income	4%	2%		
35) Relocation bonus payments (non-salary) for relocated executives	25%	18%		
36) Merchandise discount plan	81%	81%		
37) Merchandise discount plan above and beyond normal provisions	-0-	-0-		
38) Tuition reimbursement (some on case by case basis)	44%	41%		
39) Educational scholarships/grants for dependent children	20%	20%		
40) Company car - business travel	2%	-0-		
41) Company car - personal use	-0-	-0-		

STORE MANAGEMENT

The percentages represent or indicate what portion/percent of those companies who replied offer the particular benefit.	Store Managers	Assistant Store Managers		
PERQUISITE BENEFIT				
42) Reserved parking space	2%	-0-		
43) First class air travel - business use (some allow over 3 hours)	-0-	-0-		
44) Spouse allowed to accompany executive on business trips	-0-	-0-		
45) Company credit cards for traveling executives	-0-	-0-		
46) Apartment or condominium reserved for executives traveling in major cities	-0-	-0-		
47) Executive dining facility	-0-	-0-		
48) Company phones in executive's home	-0-	-0-		
49) Club membership fees	2%	-0-		
50) Free use of company owned resort facilities	2%	2%		
51) Company paid chauffeur - business travel	-0-	-0-		
52) Company aircraft - business travel	4%	4%		

SECTION FIVE

GENERAL INFORMATION

QUESTION I ---EXECUTIVE VACATION POLICY

	Length of Time Required to Receive Vacation (1)				
***One Week Vacation	Date of Hire	6 mos. to 1 yr.		1 yr.	
53% of respondents	2%	19%		31%	
***Two Weeks Vacation	Less than 1 yr.	1 yr.	2 yrs.	3 yrs.	5 yrs.
92% of respondents	7%	56%*	19%	7%	2%
***Three Weeks Vacation	Immediately	1 yr.	2 yrs.	5 yrs.	7 yrs.
95% of respondents	2%	7%	2%	56%	14%
	8 yrs.	10 yrs.		15 yrs.	
	2%	7%		2%	
***Four Weeks Vacation	1 yr.	6 yrs.	9 yrs.	10 yrs.	11 yrs.
75% of respondents	2%	2%	4%	21%	2%
	15 yrs.	20 yrs.			
	31%	7%			
***Five Weeks Vacation	5 yrs.	15 yrs.	18 yrs.	20 yrs.	25 yrs.
36% of respondents	2%	4%	2%	14%	12%
***Six Weeks Vacation	2% for all VP's and top executives.				

* 2% offered 17 days vacation period.

(1) Categories may not add to 100% as not all respondents offer all categories.

QUESTION II---SUNDAY WORK COMPENSATION

****90% Report NO Sunday Compensation

**** 9% Report YES Sunday Compensation

75% of the YES responses give compensation in the form of time off; 25% of the YES responses give compensation in the form of extra salary.

QUESTION III---HOLIDAY WORK COMPENSATION

****78% Report NO Holiday Compensation

****21% Report YES Holiday Compensation

88% of the YES responses give compensation in the form of time off; 22% of the YES responses give compensation in the form of extra salary.

QUESTION IV---GAS MILEAGE REIMBURSEMENT POLICY

95% of the companies paid mileage

Average reimbursement: 22 cents per mile

QUESTION V---REIMBURSEMENT OF EXPENSES

33% of respondents indicated that all expenses are reimbursed upon presentation of demonstrated expenses; but that expenses were expected to be "reasonable" and "customary".

20% of respondents indicated that there was "no expense limit" and that all expenses were reimbursed.

20% of respondents indicated an allocated amount for expenses; which averaged out to $27.43 per day.

Of the remaining 25% of respondents, the numerical average for meals were as follows:

Breakfast:	$ 8.65
Lunch:	$ 14.50
Dinner:	$ 34.02

QUESTION VI---ALLOWANCE BASED ON LOCATION

37% of the respondents indicated that there was an additional allowance for major cities. (New York, Chicago, San Francisco, Los Angeles, and Washington, D.C. were listed)

QUESTION VII---"CAFETERIA BENEFIT" PROGRAM

****76% Report NO "Cafeteria Benefit" Program

****23% Report YES "Cafeteria Benefit" Program - or seriously considering such a program.

QUESTION VIII---POST RETIREMENT BENEFITS

****60% Report NO Post Retirement Benefits

****23% Report YES Post Retirement Benefits

1. Executives who have participated in our group insurance plan for at least 15 years and are enrolled in the plan on the day before retirement, are eligible for continued participation in the plan at no cost to them.

2. Supplemental retirement plan - all management - 15% contribution (of employees base annual salary) to each employees account per year (after 1000 hours worked.)

3. 415 make-up, upper management retirees have a survivor benefit equal to their joint-100% pension for the life of the spouse.

4. Medical, dental, vision care, life insurance, merchandise discount.